FROM THE DESK OF THE CEO (11/20)

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Justin Chadwick 3 April 2020



"Sometimes there are decades where nothing happens, and sometimes there are weeks where decades happen."

Vladimir Lenin

COVID 19

As we end week one of lockdown, I am sure everybody is wondering when this will end, and how this will end. You would need to be a brave gambler to put money on the different possibilities. At the moment it is best to play with what is in front of you (in sporting terms). At the moment the lockdown is due to end on Thursday midnight 16 April 2020. However, it is also a good idea to start planning for 17 April and beyond. After lockdown it is highly unlikely that all restrictions are going to be removed. I have identified three possible scenarios' — and would value any other ideas. **Scenario 1:** The curve is flattened, government are satisfied that we have broken the back of the virus spread and restrictions go back to pre-lockdown (i.e. still have limitations on gatherings etc.). This scenario is unlikely. **Scenario 2:** The measures take effect and the curve begins to flatten. Government continues with lockdown, but eases some restrictions in order to limit damage to the economy, and allow people to get back to some sense of normality. Restriction that are working in reducing the spread will remain in force. **Scenario 3:** The measures do not seem to be working, the curve increases exponentially and seems to be getting out of control. Government would need to impose draconian measures to stop the rout.

I believe that there is an equal chance of scenario's 2 and 3.

With the citrus industry starting in earnest after Easter, supply chains are going to become stretched as harvesting and packing ramp up. The present 30% work rate by Transnet is causing considerable problems at the ports – not sure everybody understands what an essential service means. Some changes have been introduced at Transnet and what they are permitted to do – hopefully this will resolve the present congestion and undue dwell times. It is a good idea for all farming businesses to develop a risk management plan around the different scenarios. A risk management plan should cover the following;

Identify potential risks: evaluate each function in your business (supply input, accounts, human resources, operations, worker health and safety, and market) and identify potential areas where COVID-19 could have a negative impact.

Assess the risks: based on likelihood and impact/consequence. How is risk currently controlled, such as by way of elimination, substitution, engineering, administration, or through use of suitable personal protective equipment (PPE).

Manage the risks: cost effective ways to deal with the risk. By avoiding the risk, reducing the risk, transfer the risk or accepting the risk.

Monitor and review: Regularly review the plan based on updated information.

For more detail Citrus Australia have developed excellent guidelines: www.citrusaustralia.com.au

COVID-19 COMMUNICATION

There is an enormous amount of information available – it just seems like everybody is putting out circulars, updates, advice and information. CGA puts out a memo which aims to assist growers and stakeholders with information relevant to the southern African citrus industry. The following sources are used; SHAFFE update on southern hemisphere news, Freshfel update on conditions in the EU, correspondence from Transnet, AgBIZ and other service providers, input suppliers and advocacy groupings. To date eleven (11) memos have been released – all available on www.cga.co.za

CONGRATULATIONS ON SURVIVING THE FIRST WEEK OF LOCKDOWN – KEEP SAFE AND FOLLOW THE RULES

CGA GROUP OF COMPANIES (CRI, RIVER BIOSCIENCE, XSIT, CGA CULTIVAR COMPANY, CGA GROWER DEVELOPMENT COMPANY & CITRUS ACADEMY) ARE FUNDED BY THE SOUTHERN AFRICAN CITRUS GROWERS